

Internal Revenue Service  
Director, Exempt Organizations

Department of the Treasury  
P.O. Box 2508 - EP/EO  
Cincinnati, OH 45201

Date: FEB 15 2002

Employer Identification Number:  
[REDACTED]

Person to Contact - I.D. Number:  
[REDACTED]

Contact Telephone Numbers:  
Phone [REDACTED]  
FAX [REDACTED]

Dear Sir or Madam:

We have considered your application for recognition of exemption from Federal income tax under the provisions of section 501(c)(6) of the Internal Revenue Code of 1986 and its applicable Income Tax Regulations. Based on the available information, we have determined that you do not qualify for the reasons set forth on Enclosure I.

Consideration was given to whether you qualify for exemption under other subsections of section 501(c) of the Code. However, we have concluded that you do not qualify under another subsection.

As your organization has not established exemption from Federal income tax, it will be necessary for you to file an annual income tax return on Form 1041 if you are a Trust, or Form 1120 if you are a corporation or an unincorporated association.

If you are in agreement with our proposed denial, please sign and return one copy of the enclosed Form 6018, Consent to Proposed Adverse Action.

You have the right to protest this proposed determination if you believe it is incorrect. To protest, you should submit a written appeal giving the facts, law and other information to support your position as explained in the enclosed Publication 892, "Exempt Organizations Appeal Procedures for Unagreed Issues." The appeal must be submitted within 30 days from the date of this letter and must be signed by one of your principal officers. You may request a hearing with a member of the office of the Regional Director of Appeals when you file your appeal. If a hearing is requested, you will be contacted to arrange a date for it. The hearing may be held at the Regional Office or, if you request, any mutually convenient District Office. If you are to be represented by someone who is not one of your principal officers, he or she must file a proper power of attorney and otherwise qualify under our Conference and Practice Requirements as set forth in Section 601.502 of the Statement of Procedural Rules. See Treasury Department Circular No. 230.

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If we do not hear from you within the time specified, this will become  
our final determination.

Sincerely,

*Steven Miller*

Director, Exempt Organizations

Enclosures:  
Enclosure I  
Publication 892  
Form 6018

The evidence presented disclosed that you were incorporated on [REDACTED] under the Not-for-Profit Corporation Law in [REDACTED].

The purposes for which the corporation was formed are "to develop a membership of active ice hockey officials (and to) maintain the highest standard of ice hockey officiating..."

Your organization's membership is comprised of Ice Hockey Officials who serve in the capacity of ice hockey officials for all amateur youth and adult ice hockey games in the area [REDACTED]. Information provided indicates that your organization is involved in the recruitment and training of new officials and the continuing education and certification of existing officials (members).

Your organization also provides officials for hockey games. The organizations receiving the services of your members pay your organization a fee for the related services. The fees are distributed by your organization to the member(s) officiating at the games.

The financial information you have furnished indicates that approximately 100% of your annual income consists of payments received for providing officials for hockey games. These fees are redistributed to the members for their services as officials, on the basis of individual services provided.

Section 1.501(c)(6)-1 of the Income Tax Regulations defines a business league as an association of persons having a common business interest, the purpose of which is to promote such common interest. Its activities should be directed to the improvement of business conditions in one or more lines of business as distinguished from the performance of particular services for individual persons.

Revenue Ruling 61-170, 1961-2 holds that an organization is not exempt from Federal Income Tax as an organization described in section 501(c)(6) of the Code where its primary purpose is to afford greater employment opportunities for its members through the operation of an employment registry.

Your organization's primary activity is the provision of ice hockey officials for a fee to ice hockey leagues in the [REDACTED] area. This activity enhances the employment of your members, the officials. This activity is similar to the activities of the organization which was denied an exemption under section 501(c)(6) of the Code, in Revenue Ruling 61-170.

While your organization may have some activities geared to improve the profession of ice hockey officials, such as training for the officials, these activities are incidental to your primary function of providing employment to your members and performing administrative services in collecting and distributing payments to the members.

Accordingly, we conclude that you do not meet the requirements for exempt status under section 501(c)(6) of the Code and propose to deny your request for exemption under that section.

We have also determined that you fail to qualify for exempt status under any other subsection of Internal Revenue Code 501(c).